	Approved For Release 2003/10/01: CIA-RD CLASSIFICATION CONFIDENTIAL SECURITY STATINTL CENTRAL INTELLIGENCE AGENCY	P80-00809A000566740078-2 REPORT NO CD NO.
COUNTRY	COMMUNIST CHINA	DATE OF INFORMATION May 19-25, 1952
SUBJECT	INDICATIONS OF PSYCHOLOGICAL VULNERABILITIES	
HOW PUBLISHED		DATE DIST. 1 Jul 52
WHERE PUBLISHED	CHANGE TO UNCLASSIFIED	NO. OF PAGES /
DATE PUBLISHED	PER REGRADING BULLETIN NO.	SUPPLEMENT TO
LANGUAGE		REPORT NO.
THIS DOCUMENT CO OF THE UNITED I U. S. C., 31 AND S OF 175 CONTENTS I MISITED BY LAW.	This information affectine the national defense (Nyta within the standing of Espicance Act so trop agreed . 115 thansmission on the revaluation of ART manner to an unauthorized Person is Progression of This Form is Promisited.	EVALUATED INFORMATION
SOURCE STA	ATINTL CPW Report No. 23 COMMUNIST	2 GEINA

SUMMARY

(MBy 19 - 25, 1952)

The effort to convince listeners that Chinese economy has been stimulated by the democratic spirit and higher efficiency brought about by the anticorruption drive, coupled with a new appreciation of superior Russian methods, is hindered by evidence of industrial shortages, complaints that the production campaign is slow, desperate efforts to revive trade and bolster private industry, and frank admissions that newly promoted workers have much to learn from their seniors. Discussion of the Chinchiang flood control project, obviously facing serious difficulties, reveals that eight Army units have been called in to complete the project, while boasts of successful land reform in the Northwest are tempered by suggestions that an "increase in the organized militis" contributed considerably to consolidation of the People's Dictatorship there. Feople's Liberation Army units in Sinking made the spring planting a success, while in Tibet the Army is expected to be a great aid in developing trade and agriculture.

The partial completion of a new motor road from Sikang to Lhasa over a mountain pass, where it is admitted that thousands or workmen died and the road is "paved in blood," calls to mind the cruel methods used by Chinese feudal lords in carrying out their grandiose schemes. The question arises as to why such a costly road is necessary in this sparsely populated area. The doubtful explanation is that the road has been promised to the Tibetan brothren.

It is disclosed that mutual-aid teams and farmers cooperatives are not always a panacea. Special cadres are being sent out to reorganize "substandard cooperatives," where some farmers refused to contribute, while others complained of no return for their contribution. One reason for the continuing insect plagues is revealed through advice to the fargers to "use their native ingenuity" in killing insects when insecticides and equipment are unavailable. With a growing stress on mass indoctrination apparent, one admitte bandicap is a shortage of literate members for newspaper reading groups; cadres are criticized for not informing the Government adequately of the thoughts and opinions of the masses; and in East China the Party is infiltrating 800 highly trained cadres into commerce and industry.

CONFIDENTIAL CLASSIFICATION DISTRIBUTION STATE X NAVY NSRB AIR ARMY